

MINISTRY OF SOCIAL SERVICES

**VALLEY VIEW CENTRE GRANTS AND DONATIONS TRUST ACCOUNT AND
INSTITUTIONAL COLLECTIVE BENEFIT FUND**

FINANCIAL STATEMENTS

For the year ended March 31, 2011





Provincial Auditor Saskatchewan

1500 Chateau Tower
1920 Broad Street
Regina, Saskatchewan
S4P 3V2

Phone: (306) 787-6398
Fax: (306) 787-6383
Web site: www.auditor.sk.ca
Internet E-mail: info@auditor.sk.ca

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the Valley View Centre Grants and Donations Trust Account and Institutional Collective Benefit Fund, which comprise the statement of financial position as at March 31, 2011, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Valley View Centre Grants and Donations Trust Account and Institutional Collective Benefit Fund as at March 31, 2011, and the results of their operations and their cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

MINISTRY OF SOCIAL SERVICES
VALLEY VIEW CENTRE GRANTS AND DONATIONS TRUST ACCOUNT AND
INSTITUTIONAL COLLECTIVE BENEFIT FUND
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31

	Grants & Donations Account	Institutional Collective Benefit Fund		Total 2011	Total 2010
		Canteen Account	Bazaar Account		
Assets					
Due from General Revenue Fund (Note 4)	\$ 89,912	\$ 20,286	\$ 7,078	\$ 117,276	\$ 116,039
Cash	-	190	20	210	758
Accrued interest	240	57	19	316	77
Inventory	-	6,762	-	6,762	5,751
Accounts receivable	87	-	-	87	24
Total assets	\$ 90,239	\$ 27,295	\$ 7,117	\$ 124,651	\$ 122,649
Liabilities					
Accounts payable	\$ -	\$ -	\$ 2,324	\$ 2,324	\$ 2,324
Trust and fund balances (Statement 2)	90,239	27,295	4,793	122,327	120,325
Total liabilities, trust and fund balances	\$ 90,239	\$ 27,295	\$ 7,117	\$ 124,651	\$ 122,649

(See accompanying notes to the financial statements)

MINISTRY OF SOCIAL SERVICES
VALLEY VIEW CENTRE GRANTS AND DONATIONS TRUST ACCOUNT AND
INSTITUTIONAL COLLECTIVE BENEFIT FUND
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31

	Grants & Donations Account	Institutional Collective Benefit Fund		Total 2011	Total 2010
		Canteen Account	Bazaar Account		
Revenue					
Donations	\$ 16,527	-	-	\$ 16,527	\$ 13,508
Bank interest	823	-	-	823	406
Sales	-	39,068	3,970	43,038	44,571
Camp Thunderbird	-	8,995	-	8,995	10,033
Library revenue	-	-	-	-	127
Nevada ticket revenue	-	2,504	-	2,504	3,207
Total revenue	17,350	50,567	3,970	71,887	71,852
Cost of goods sold					
Sales projects	-	35,068	963	36,031	35,909
Library	-	-	-	-	280
Camp Thunderbird	-	1,287	-	1,287	971
Nevada tickets	-	392	-	392	737
Total cost of goods sold	-	36,747	963	37,710	37,897
Gross profit	17,350	13,820	3,007	34,177	33,955
Other expenses					
Resident comforts	18,610	11,167	-	29,777	94,074
Wages	-	-	1,945	1,945	2,010
Miscellaneous	-	302	151	453	302
Training allowances	-	-	-	-	1,153
Total other expenses	18,610	11,469	2,096	32,175	97,539
(Deficiency) excess of revenue over expenses	(1,260)	2,351	911	2,002	(63,584)
Trust and fund balances, beginning of year	91,499	24,944	3,882	120,325	183,909
Trust and fund balances, end of year	\$ 90,239	\$ 27,295	\$ 4,793	\$ 122,327	\$ 120,325

(See accompanying notes to the financial statements)

MINISTRY OF SOCIAL SERVICES
VALLEY VIEW CENTRE GRANTS AND DONATIONS TRUST ACCOUNT AND
INSTITUTIONAL COLLECTIVE BENEFIT FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31

	Institutional Collective Benefit Fund				
	Grants & Donations Account	Canteen Account	Bazaar Account	Total 2011	Total 2010
Cash flows provided by (used in) operating activities					
(Deficiency) excess of revenue over expenses	\$ (1,260)	\$ 2,351	\$ 911	\$ 2,002	\$ (63,584)
Increase in non-cash items included in surplus	-	-	-	-	-
(Increase) Decrease in accounts receivable	(63)	-	-	(63)	2,251
(Increase) Decrease in accrued interest receivable	(176)	(44)	(19)	(239)	379
(Increase) Decrease in inventories	-	(1,011)	-	(1,011)	(131)
Increase in accounts payable	-	-	-	-	165
Net (decrease) increase in cash and due from General Revenue Fund	(1,499)	1,296	892	689	(60,920)
Cash and due from General Revenue Fund, beginning of year	91,411	19,180	6,206	116,797	177,717
Cash and due from General Revenue Fund, end of year :	<u>\$ 89,912</u>	<u>\$ 20,476</u>	<u>\$ 7,098</u>	<u>\$ 117,486</u>	<u>\$ 116,797</u>
Cash	\$ -	\$ 190	\$ 20	\$ 210	\$ 758
Due from General Revenue Fund	<u>89,912</u>	<u>20,286</u>	<u>7,078</u>	<u>117,276</u>	<u>116,039</u>
	<u>\$ 89,912</u>	<u>\$ 20,476</u>	<u>\$ 7,098</u>	<u>\$ 117,486</u>	<u>\$ 116,797</u>

**MINISTRY OF SOCIAL SERVICES
VALLEY VIEW CENTRE GRANTS AND DONATIONS TRUST ACCOUNT AND
INSTITUTIONAL COLLECTIVE BENEFIT FUND
MARCH 31, 2011**

1. Authority and purpose

The Valley View Centre (Centre) is a residential facility for people with intellectual disabilities. The centre is operated by the Ministry of Social Services. The Centre's Grants and Donations Trust Account (Trust Account) and Institutional Collective Benefit Fund (Fund) were established under Section 13 of *The Department of Social Services Act*. The Social Services Rehabilitation Institutional Collective Benefit Funds and Trust Account Regulations regulates the Trust Account and the Fund.

- a. The Grants and Donations Trust Account is used to account for donations, gifts and other money given to the Centre. The Trust Account is a registered charity with the Canada Revenue Agency.
- b. The Fund consists of:
 - the Canteen Account, used to account for the operations of a canteen which provides services for residents and staff of the Centre. The account is required to pay into the Government's General Revenue Fund any balance in excess of \$80,000.
 - the Bazaar Account, used to account for the operations of occupational and vocational programs for the residents of the Centre. The account is required to pay into the Government's General Revenue Fund any balance in excess of \$80,000.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles applicable to not-for-profit entities and include the following significant accounting policies:

Accrual basis

The financial statements are prepared on the accrual basis of accounting.

Revenue recognition

Grant and donation revenue is recognized when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Bazaar and canteen revenue is recognized when goods are sold or services rendered.

**MINISTRY OF SOCIAL SERVICES
VALLEY VIEW CENTRE GRANTS AND DONATIONS TRUST ACCOUNT AND
INSTITUTIONAL COLLECTIVE BENEFIT FUND
MARCH 31, 2011**

Inventory

Inventory is valued at the lower of cost and net realizable value. Net realizable value is defined as the expected selling price.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Financial instruments

The Trust Account and Fund's financial instruments include due from General Revenue Fund, accounts receivable, accrued interest, and accounts payable. The carrying value of these instruments approximates fair value due to their immediate or short-term nature.

4. Due from General Revenue Fund

The bank accounts for the Trust Account and the Fund are included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan.

Interest earned is calculated and paid by the General Revenue Fund on a quarterly basis into the respective bank accounts using the Government's 30 day borrowing rate and the respective average daily bank account balances. The Government's average 30 day borrowing rate for the year is 0.80% (2010 - 0.27%).

5. Related party transactions

In accordance with established government practice, the Trust Account and the Fund have not been charged with any general administrative costs and no provision for such costs is reflected in these statements. These costs are absorbed by the Ministry of Social Services.

